

# **Department of Natural Resources**

DIVISION OF OIL AND GAS

550 W. 7<sup>th</sup> Avenue Suite 1100 Anchorage, Alaska 99501-3560 Main: 907.269.8800 Fax: 907.269.8939

January 3, 2023

Ashley Gilbert Accumulate Energy Alaska, Inc. 1300 Post Oak Blvd Ste 2400 Houston, Texas, 77056

# RE: LAS 34367, Accumulate Energy Alaska, Inc., Off Road Travel and Ice Construction, Five Year Land Use Permit Approval

Dear Mr. Gilbert:

The Department of Natural Resources (DNR), Division of Oil and Gas (Division) approves the Accumulate Energy Alaska, Inc. (AEA) Land Use Permit application, dated November 18, 2022, to conduct off road travel, ice construction, and associated temporary activities on State of Alaska lands between the Colville and Canning Rivers on the North Slope. The enclosed permit, LAS 34367, authorizes AEA to conduct the activities, on State of Alaska land and waters, between the Colville and Canning Rivers, subject to the conditions of the permit.

This permit is effective January 3, 2023, to January 2, 2028.

Issuance of a permit under 11 AAC 96 is not a disposal of an interest in land and does not grant a preference right to a lease or other disposal. The permit is revocable for cause for violation of a permit stipulation of this chapter, and is revocable at will if the DNR determines that the revocation is in the state's interest. The proposed activities are for a discrete and limited duration with limited, temporary impact to the land, and are not part of a larger project or investment by the permittee that might weigh against revoking the permit. Therefore, the permit is both legally and functionally revocable. Each permit issued is subject to any stipulations the DNR determines necessary to assure compliance with this chapter, to minimize conflicts with other uses, to minimize environmental impacts, or otherwise to be in the interests of the state. Public notice of any miscellaneous land use application is discretionary under 11 AAC 96.030(c). The Director of the Division of Oil and Gas (Director) has the right at any time to amend or modify any provisions of this permit, or revoke this permit.

# **Project Description:**

AEA is requesting a 5-year land use permit for off road travel, ice construction, and associated activities on State land between the Canning and Colville Rivers. Activities will be in support of oil and gas operations using approved vehicles. This is a general permit, and individual activities will be reviewed and authorized on a case-by-case basis under this permit.

#### **Land Status:**

## Project Area Legal Description:

State land within the Umiat Meridian, including shorelands, tidelands and submerged lands.

# Geographic Location:

The proposed action is located on the North Slope. The permit is general in nature and will cover off-road travel on state land located north of the Brooks Range between the Colville and Canning Rivers. Specific projects will be reviewed and approved on a case-by-case basis.

## Other Land Information:

Municipality: North Slope Borough

Regional Corporation: Arctic Slope Regional Corporation

Special Use Areas: North Slope Area Special Use Lands ADL 50666

# **Scope of Decision:**

# This decision is reviewing the following activities for Division approval:

The scope of this decision is to determine if it is appropriate to issue a temporary land use permit to AEA for off-road travel, ice construction, and associated temporary activities on state land on the North Slope. The scope is limited to authorization of activities on state land, including tidelands, shorelands and submerged land.

# This decision is not reviewing the following activities for Division approval:

Approvals or permits from other persons or governmental agencies that may also be required.

## **Agency Review:**

The Division provided an agency review and comment opportunity for the activities proposed for authorization under this decision. The following government entities were notified on November 18, 2022, for comment on the Plan: US Army Corps of Engineers, Alaska Department of Fish and Game, Alaska Department of Environmental Conservation, Alaska Department of Transportation, DNR Division of Mining, Land and Water, US Fish and Wildlife Service, and North Slope Borough. The comment deadline was 4:30 pm Alaska time on December 2, 2022. Comments were received and the Division, Applicant, and commenting agencies reconciled the comments without modifying the Plan; Agency comments and Applicant's response are summarized in Appendix B.

## **Public Review:**

Public notice was posted on the Division's website and the State of Alaska Online Public Notice System on November 18, 2022, with a comment deadline of 4:30 pm Alaska time on December 2, 2022. No comments were received.

LAS 34367, AEA Off Road Travel Land Use Permit Approval

#### **Performance Guarantee:**

The permittee has provided the Division with a performance guarantee under 11 AAC 96.060 in the amount of \$100,000.

#### **Insurance:**

The certificate of insurance has been furnished to the department and lists the State of Alaska, Department of Natural Resources as an additional named insured on the policy. The policy is issued by an insurer licensed to transact the business of insurance under AS 21.

# **Application Approved:**

The Division has the authority and discretion to amend or revoke this permit at any time. As detailed in this permit, the Division shall be notified if, during the conduct of activities, a surface use conflict occurs. All activities conducted under this permit are subject to inspection by the Division, and if damage occurs, appropriate interest holders will be engaged and corrective action will be prescribed. The Division will impose additional provisions as necessary under 11 AAC 96.040 at any time during the activity approved under this permit to minimize impacts and conflicts.

The Division considered all facts material to this application including the permit provisions contained in this authorization per 11 AAC 96.040(b). The Division has determined that this permit as conditioned by the attached provisions for this non-permanent activity is in the State's interest. Stipulations in this permit authorization are necessary to protect the State's interest and the public interest.

Sincerely,

Graham Smith

Petroleum Land Manager

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. Under 11 AAC 02.030, appeals and requests for reconsideration filed under 11 AAC 02 must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a) and (b). This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st calendar day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

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Appendices: A: Maps

B: Comments

Enclosures: LAS 34367 – Five Year Land Use Permit

ecc: DOG: James Hyun, Ashley Ethridge, Alexander Zinck, Hayley Beitel, Molly Fenton,

Graham Smith, DOG Units and SPCO Records

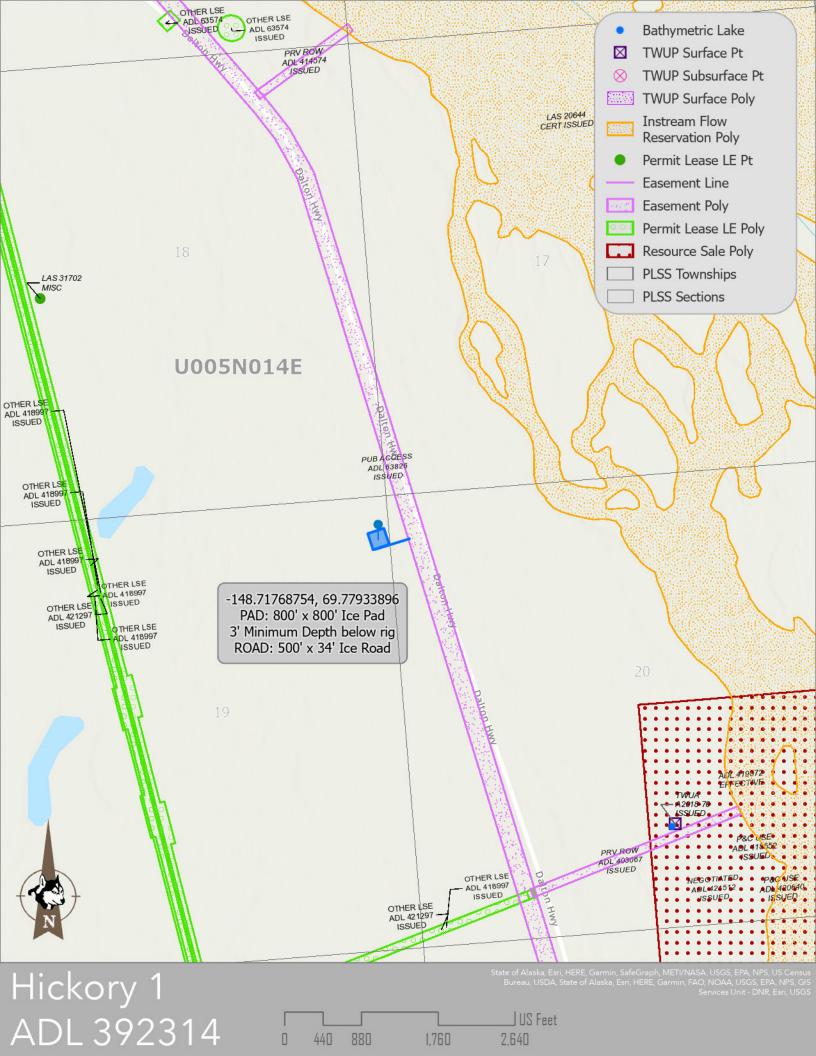
DMLW: Northern Region Office, SAIL, and Henry Brooks

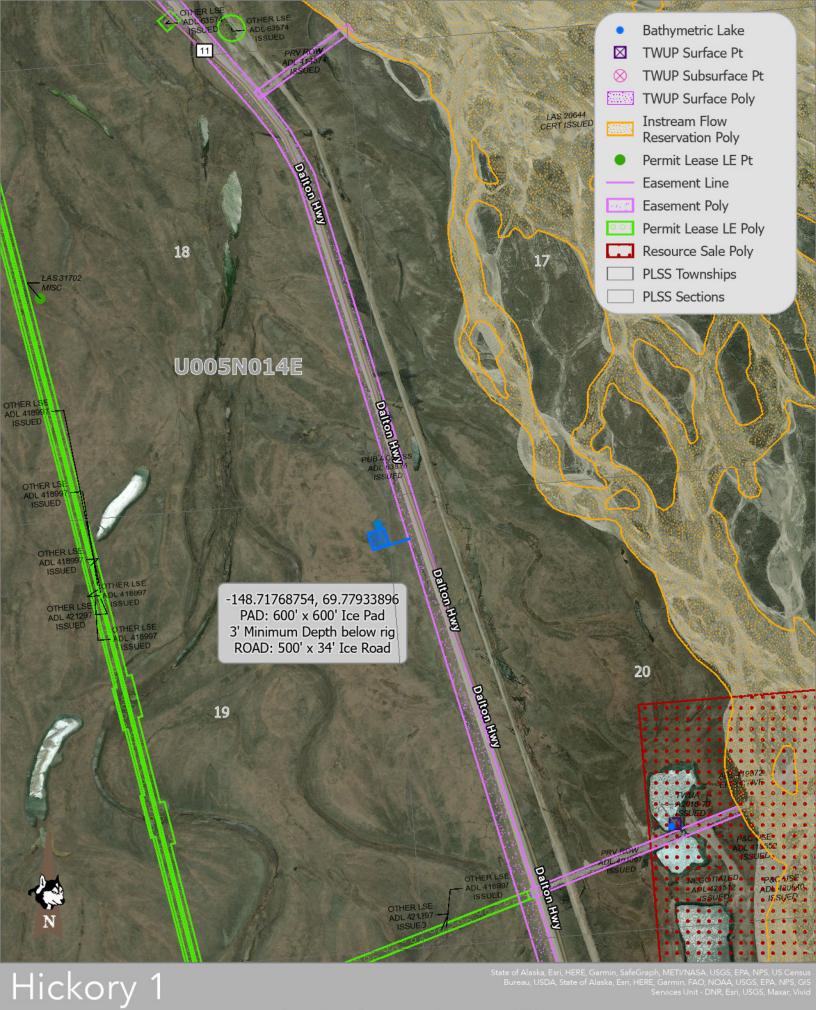
ADF&G: Maria Wessel and Chelsea Clawson

ADEC: Laurie Silfven, DEC Water Oil and Gas, DEC Agency Reviews, and ADEC

Contaminated Sites

NSB: Planning Permitting Other: USACE and USFWS

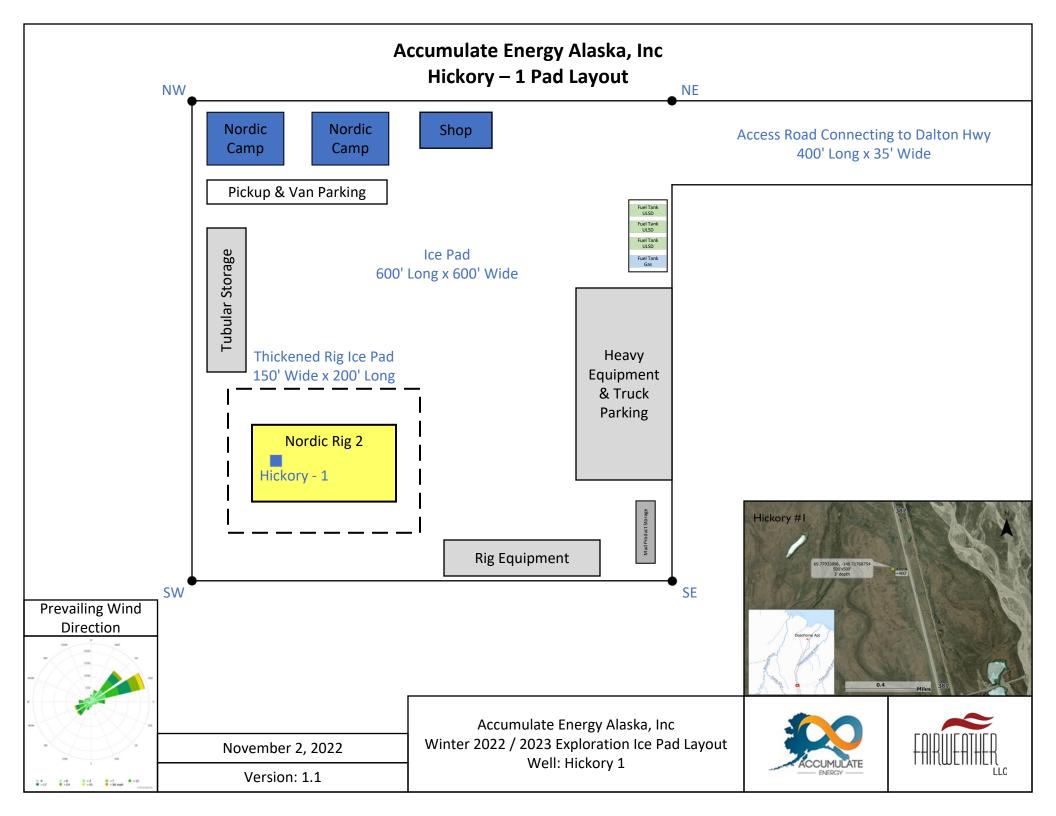




ADL 392314

US Feet 880 1,760 2,640

440



## **Appendix B: Agency Review Comments**

# **DMLW Northern Regional Office Leases and Material Sales Section:**

AEA's proposed activities may overlap a DMLW issued land use permit LAS 33376 to GCI Communication Corp, which contracted Red Mountain Consulting LLC to conduct tundra rehabilitation activities associated with the fiber optic trench which runs parallel on the west side of the Dalton Highway. According to the 2022 completion report, there has been significant rehabilitation to sections of the tundra between MP 360 and 414 with additional sites TBD in the summer 2023. During the summer months, while AEA is conducting cleanup activities the fiber optic trench next to the highway should be avoided as much as possible to reduce the potential impact to the rehabilitation that may be compromised if there is travel across or too near it.

DMLW requests that AEA contact and coordinate with Red Mountain Consulting LLC, if AEA's proposed activities are anticipated to affect the rehabilitation efforts.

# Red Mountain Consulting, LLC may be contacted at:

Lorene Lynn, CPSS, CERP Soil Scientist / Restoration Ecologist Red Mountain Consulting LLC 10366 N Wolverine Rd Palmer, AK 99645 (907) 354-5444 lorene.lynn@rmcalaska.com www.redmountainalaska.com

## **Division Response:**

Noted and forwarded to applicant.

## **DOG State Pipeline Coordinator's Section:**

The proposed land use permit (LAS 34367) will cross a portion of a AS 38.35 pipeline, the Trans Alaska Pipeline System (TAPS) and an access road used by the Alyeska Pipeline Service Company (APSC), ADL 403067. The SPCS requests AEA coordinate with the pipeline lessee and receive a letter of non-objection from Alyeska Pipeline Service Company (APSC) before the project begins.

Trans-Alaska Pipeline System, ADL 63574
Alyeska Pipeline Service Company
Peter Nagel, Sr. Lands Manager
P.O. Box 196660
Anchorage, AK 99519-6660
(907) 787-8170
peter.nagel@alyeska-pipeline.com

## **Division Response:**

Noted and forwarded to applicant.

# **Department of Environmental Conservation Contaminated Sites Program:**

In our review we did not identify any closed or active contaminated sites within proximity to the project site identified in the application. We did note that under Section IV.5.C of the application the DEC approved plan for AEA is incorrectly identified as ADEC 15-CP-5241, however, the correct number is ADEC 20-CP-5241.

If during the project, legacy contamination is discovered or a spill occurs, Alaska state law requires oil and hazardous substance releases to be reported to the DEC. For reporting information, please visit:

Report A Spill (alaska.gov)

# **Division Response:**

Noted and forwarded to applicant.